GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2084
ANSWERED ON:13.03.2008
GAS CRACKER PROJECT AT LEPETKATA
Subba Shri Moni Kumar

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Gas Cracker Project at Lepetkata has been inordinately delayed.

(b) if so, the progress made in implementation of the project so far and the reasons for the delay; and

(c) the time by when the project will be completed?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a): No, Sir.

(b) & (c): Foundation stone of the Project has been laid on April 9, 2007 at Lepetkata,District Dibrugarh. The Government has approved implementation of the Project at a projectcost of Rs.5460.61 crores. Provision of Rs.2138 crores and Rs.908.91 crores has been madefor capital subsidy and feedstock subsidy respectively. Joint Venture Company, has beenincorporated as 'Brahmaputra Cracker and Polymer Limited' (BCPL). Gas Supply Agreement(GSA) has been signed with OIL and ONGCL. Naphtha supply Term Sheet has also been signedwith Numaligarh Refinery Limited (NRL).Necessary environmental and pollution controlclearances have beenobtained.About 90% of the land committed by Government of Assamhas been acquired by BCPL; the balance land will be transferred after completion ofthe rehabilitation of the project affected families. Regarding financial closure,OIDB has granted in-principle approval for a term loan of Rs.327 crores. EIL hasbeen selected as Project Management Consultant. Notice Inviting Tender for LLDPE/HDPEand polypropylene units has been released. The work for topographical survey has beenawarded. Steps required prior to commencement of construction, viz.,- Basic Engineeringdesign and Water and power required for construction, etc., have been initiated.

As per the approval accorded by the Cabinet Committee on Economic Affairs (CCEA), the project is to be completed within 60 months from the date of financial closure. Project is expected to be completed as per target schedule.